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CENTRAL INTELLIGENCE AGENCY

INFORMATION REPORT

COUNTRY

Bulgaria

SUBJECT

Methods of Calculating Workers' Wages

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1. "In 1952 a very complicated system of calculating workers' wages was introduced in Bulgaria, a so-called 'Sdelno Razriadna Sistema'. Work is always performed on a piece-work basis and workers in every branch of industry are divided into categories ('Razriad').
2. "In the textile industry, for example, there are eight such categories, in the metal industry nine. The actual production of certain items is also divided into specific operations and classified accordingly. For example, the production of cigarettes is divided into the following operations: segregation of tobacco leaves, cutting, filling of cigarette tubes, packing, etc. Each such single operation falls into a specific category on which the workers' pay is based. In the metal industry, first category workers receive 11 Leva per day, fifth 17.50 Leva, the sixth 22, the eighth 28 and the highest or ninth category 32 Leva. Such pay is not, however, guaranteed but is only a basis for calculation of actual pay which in turn depends on the amount of production. For example, a worker employed at the packing of cigarettes has a norm of 400 packs which he is supposed to complete in eight working hours. For such an output he would receive, say eight Leva, or in other words 0.02 Leva per pack. If instead of 400 he makes only 300 packs, his daily pay will be not eight but six Leva only. If, however, he makes 600 packs, he will get 12 Leva.
3. "The norms are fixed according to the abilities and possibilities of a more than average worker. Therefore, there are only a few cases of a worker surpassing the norm. Usually workers cannot fulfill their norms and their wages are lower than those provided for the respective category.
4. "The whole procedure of calculating wages is very complicated and requires a large number of personnel. Workers are divided into 'brigades', consisting of 10 men. At the end of the working day the 'brigadier', who is in charge of his brigade enters all the necessary data such as: date, norm, category of a worker fixed for the particular kind of work he is performing, the time in which the work was finished and

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- the fixed norm for this particular kind of work on special forms. To fill in 10 forms for 10 workers for one day the 'brigadier' has to use about one hour. The filled in forms are then handed to a norm calculator ('Normirovchik'), who calculates how much pay each worker should get for the work he has performed. The man in charge of the 'brigade' receives additional pay, conditioned on the fulfilment of the norm by the whole brigade. If his brigade fulfils the norm he gets 6% more added to his own pay; if it surpasses the norm he gets 10%, but if it did not accomplish the norm he gets nothing.
5. "This system of calculating workers' wages and the very complicated system of control, in addition to the requirement of giving production data every 10 days, once a month, once a quarter, once every six months and once a year, is a very heavy burden imposed on industry and is one of the main reasons that prices of industrial goods in Bulgaria have risen as much as three times since nationalization. The cooperative 'Stomana', in Gabrovo, employed 80 men, of whom only 55 were actually employed at production; all the others were employed in administration and office work."

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